



THE CITY OF SAN DIEGO

MEMORANDUM

DATE: May 6, 2009

TO: Honorable Councilmember Tony Young, Budget Review Committee Chair
and Budget Review Committee Members

FROM: Nader Tirandazi, Financial Management Director

SUBJECT: Fiscal Year 2010 Budget Review Committee Referral Response

This memorandum is in response to questions asked at the Budget Review Committee Meeting held on April 29, 2009. The responses are grouped by department in the order that they were reviewed by the Committee.

IBA

COUNCIL DISTRICT 5

QUESTION: ADA Projects are to be funded from money from land sales, the money is out there, and projects have been developed, why haven't funds been appropriated for these projects?

RESPONSE: Funds in the amount of \$20 million are budgeted for the ADA projects. This amount includes annual budgeted amounts of \$10 million in FY 2008 and FY 2009. Although this amount was budgeted in FY 2008, cash funding was not available until late in FY 2008 because no significant real estate sales were completed until the last half of the fiscal year. Despite the late start in the projects due to the non-availability of cash funding in the Capital Outlay Fund, projects are now moving forward through the implementation process. Several projects are under construction, and more are scheduled to complete the contracting process and move into construction over the next six months.

IBA

COUNCIL DISTRICT 5

QUESTION: What is the impact to the General Fund for every one percent decrease in sales tax and Transient Occupancy Tax (TOT) revenues?

RESPONSE: The impact to the General Fund for every 1% decline in sales tax revenue equates to \$1.99 million and a 1% decline in TOT funds equates to \$800,000 (Citywide TOT impact is \$1.5 million).

IBA

COUNCIL DISTRICT 3

QUESTION: What is the dollar amount in savings from BPR reductions?

RESPONSE: The total savings to date from BPR initiatives since the inception of the program includes the reduction of over 400.00 FTEs and over \$32 million in personnel expenses.

Citywide

COUNCIL DISTRICT 3

QUESTION: How many position reclassifications (PC-3s) in FY 2009 are reflected in the FY 2010 budget citywide?

RESPONSE: The table below reflects the FY 2010 Proposed Budget for position reclassifications:

Fund Type	Number of FTE	Salary Impact	Fringe Impact	PE Impact
General Fund	65.48	436,467	109,890	546,357
Non-General Fund	51.52	392,271	133,535	525,806
Total	117	828,738	243,425	1,072,163

General Services

COUNCIL DISTRICT 7

QUESTION: Does fleet maintenance provide maintenance services to other police departments outside the City?

RESPONSE: The San Diego Fleet Maintenance Division provides the following services to other law enforcement agencies in the immediate area:

1. Fuel support for San Diego County Sheriff Department and Animal Control vehicles. This support is invoiced monthly.
2. Limited upfitting of new vehicles for the San Diego Schools and Community College. However these services have not been performed recently. These services are provided under the auspices of a cost reimbursement agreement.
3. We also provide limited Code 3 (lights and siren) repairs for San Diego State, UCSD and USD police departments. These services are provided under the auspices of a cost reimbursement agreement.

Police

COUNCIL DISTRICT 7

QUESTION: Please provide detailed summary of what is budgeted in 4222 and 4279.

RESPONSE: The following information reflects the FY 2009 expenditures for the Police Department in object account 4222 – Miscellaneous Contractual Services:

\$	240,000	Children's Hospital health center services
\$	200,000	serial inebriate program
\$	198,000	SART exams
\$	60,800	Police promotion exams
\$	52,525	fire alarm maintenance
\$	18,972	upkeep equipment at headquarters
\$	14,000	police badges

The majority of the deficit attributed to this account is the \$708,000 that was reduced from this Object Account as part of the FY 2009 Mid-Year budget reductions in order to address budget shortfalls. The Department requested an increase of approximately \$600,000 in FY 2010 to pay for the first three contracts listed above. Additionally, the funding for Sergeant and Lieutenant promotional exams will need to be funded from this object account in FY 2010. Object Account 4279 does not have any current expenditures.

Police

COUNCIL DISTRICT 5

QUESTION: How are the Family Justice Center costs split between the City and the County?

RESPONSE: The Family Justice Center (FJC) is primarily an operation of the City of San Diego. In addition to the Police Department and City Attorney staff, there are 13 partner agencies that contribute to the FJC. The County of San Diego has a very small role in daily operations with only 3.00 part time staff.

The primary agencies are responsible for paying for their respective employees' salaries, parking, and their background investigation expenses. The FJC is staffed with approximately 26.00 sworn and 6.00 civilian Police Department personnel, 22.00 City Attorney personnel, 33.00 personnel from the partner agencies and 35.00 volunteers. The partner agencies and their respective staff numbers are as follows:

Camp Hope- 4.00
Center for Community Solutions -2.00
Chaplin's Program – 1.00
Children's Hospital – 12.00
Forensic Medical Unit -1.00
Integrated Mental Health Services -1.00
Military Family Services Liaison -2.00
SD Deaf Mental Health Services- 4.00
SD Volunteer Lawyers- 3.00
Teen Court -2.00
YWCA – 1.00 part- time
District Attorney 3.00 part-time

The City funds the building lease expense, and provides basic office expenses such as supplies and photocopy machines. Additionally, the City also reimburses the clients for hourly parking expense.

City staff is not involved in the discussion or planning of any expansion of Family Justice Center operations to other parts of the County. The primary focus of the San Diego Police Department is maintaining the current facility and meeting the needs of its clients.

Police

COUNCIL DISTRICT 5

QUESTION: There is a large increase in vehicle maintenance, what is driving this increase?

RESPONSE: The responsibility of the Police Department's fleet operations was moved to the City's General Services Department beginning in FY 2009. Previously the Police Department paid for maintenance of vehicles within the department budget; however the replacement expense for vehicles was not budgeted. The current fiscal year budget reflects maintenance expense as well as an annualized replacement expense.

Library

COUNCIL DISTRICT 7

QUESTION: What does "miscellaneous" consist of in object account 4222 – Miscellaneous Contractual Services and what are the contractual services? What expenditures are made in object account 4279 – Other Non-Personnel? What are the planned expenditures in FY 2010 for these two accounts?

RESPONSE: 4222 – Miscellaneous Contractual Services: [Also See Table Below]
This account is for services that do not have a specific object account for budget and expenditure. There are other major contractual services that do have separate object accounts and those services are budgeted in those accounts. For example Waste Removal (EDCO trash Pickup), Landscaping (except for paying the Park Terrace Property Owners Association for the Rancho Bernardo Branch Library Landscaping), and Janitorial Services for Central and Branches.

There is a "contingency/emergency" amount in this budget as the Library has to maintain 36 facilities with everything from stage lighting and PA systems to water features. The department has to account for gophers, bee removal and rats; and windows, doors, carpeting and floors that need cleaning, repair and maintenance. The Central Library and branches have security guard services and remote security monitoring services. Purchase Orders are set up for service needs that the Department has experienced in the past and will more than likely need again, but cannot always account for every possible service the Department may need during the year. This year the Department had to add funding for storm drain services as the Stormwater Department has given those added responsibilities to the departments.

Expenditures in the account are sometimes behind during the fiscal year as invoicing from some vendors is slow, or due to payments that are held up while staff investigates a service that needs corrective action or invoice revision.

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RESPONSE CONT'D: 4279 – Other Non-Personnel

This account does not cover any specific planned expenditure, but allows for covering a minor expenditure that does not have a specific object account. The budgeted amount is only \$6,373. It may be better for the Library to redistribute it into accounts like 3311-Building Materials or 3314-Paint, Oil and Glass where the Department has had some expenditures but no budget.

Library Department Miscellaneous Contractual Services Budget (OA 4222) FY 2010 Budget Estimate	
Service	FY10 Estimate
Security Guards & Facility Alarms	\$600,000
Landscape Svcs For Rancho Bernardo Library (Park Terrace Property Owners Association)	\$35,000
Reupholstery for Library Furniture	\$65,000
Ponds & Fountains Maintenance	\$18,000
Pest Control Services	\$25,000
Carpet & Floor Repair	\$80,000
Air Duct Cleaning	\$7,500
Locksmith	\$3,000
Cash Register Repair & Maintenance	\$2,500
Piano Tuning	\$1,850
Storm Drain Maintenance	\$1,200
Library Door Services	\$5,000
Performance Annex Equipment Repair & Maint	\$1,200
Glass & Window Service	\$5,500
DVD Cleaning	\$3,500
Truck Leasing	\$10,000
Recycling Services (Ocean Blue)	\$1,200
Total	\$865,450
FY10 Budget	\$943,703
Contingencies/Emergencies	\$78,253

Park and Recreation

COUNCIL DISTRICT 5

QUESTION: What is the revenue accounting for the half million in Park and Recreation wireless funds? What is the exact total amount?

RESPONSE: Park and Recreation Antenna Funds

Council Policy 600-43 contains guidelines for the processing and placements of wireless communication facilities in the City of San Diego, including park land. Section D 2-3 provides direction on revenue from these facilities and states:

RESPONSE CONT'D:

2. Site Access Fees should be deposited into a special fund to be used primarily to benefit the property or adjacent community where the wireless facility is located. The appropriate stakeholder groups may make recommendations for the expenditure of the special fund. The appropriate Controlling Department should work with the stakeholder groups to prioritize these requests.

3. Rental Revenue. One half of the ongoing rental revenue should be deposited into the general fund and one half deposited into a special fund for the appropriate department. All expenditures will require prior written approval by the City Manager or designee.

The Park and Recreation Director has been designated via Council's previous direction to expend antenna revenue on park land. This revenue is deposited into Fund 10150 Antenna Lease Revenue. The Comptroller estimated the available fund balance as of December 9, 2008 at \$972,502. Funding should be reserved for several pending projects totaling \$156,000, leaving the estimated available balance at \$816,502. In addition, the Independent Budget Analyst (IBA) expressed concern over the lack of progress for the Mission Bay Park and Regional Park Improvements Funds and suggested the City Council consider the addition of a dedicated management position for oversight of this program. Mission Bay Park Improvement Funds were suggested as a funding source; however, the City Charter prohibits the expenditure of these funds for City staff salaries unless such costs can be capitalized. The Department believes only a small portion of the position's oversight responsibilities could be assigned to specific capital project and would result in only a small amount (approximately 10-15%) reimbursed from the Mission Bay Improvement Funds. Another possible source is to use part of the antenna revenue balance. Estimated personnel cost of a Program Manager is \$138,004. Whether antenna funds are returned to the General Fund or support Mission Bay/Regional Park Improvement Funds, communities may be upset at the loss of this funding source. The Council Policy was supported by the Park Board with the understanding and expectation that communities impacted with antenna facilities on park land would benefit with improvements and/or repairs.

Park and Recreation

COUNCIL DISTRICT 3

QUESTION: How much money was leveraged with departments' grant match program in Fiscal Year 2009? What was the amount leveraged for grant match funds in FY 2008 and what were the monies used for?

RESPONSE: In the FY 2008 Budget, \$446,955 was appropriated for the Park and Recreation Department Grant Matching program. In FY 2008, a total of \$248,213 was allocated to the following projects:

\$108,000	Cherokee Point Park Improvements – total project grants
	\$1,070,742

RESPONSE CONT'D:

\$135,000	Central Avenue Mini Park Acquisition – total project grants \$56,000
\$5,213	Martin L. King Recreation Center Roof Replacement – total project grants \$104,787

The FY 2008 distribution used \$122,303 grant match funds reserved from prior budget years and \$125,910 of the FY 2008 Budget Appropriation. The balance of the FY 2008 Budget appropriation was carried forward into FY 2009 and included as part of the FY 2009 Budget Amendment.

Park and Recreation

COUNCIL DISTRICT 3

QUESTION: What are the seven vacancies in the non-general fund departments of Park and Recreation?

RESPONSE: Golf Operations Vacancies

There are currently seven vacant full-time benefitted positions in the Golf Operations Division.

- Personnel Department is reviewing Golf Division's request to fill two vacant Grounds Maintenance Worker I and one Golf Starter positions.
- The hiring process has commenced to fill one vacant Irrigation Specialist.
- One Custodian and one Grounds Maintenance Worker I are being kept temporarily vacant pending other Division personnel actions to occur.
- One Assistant Deputy Director position is currently being kept vacant.

Park and Recreation

COUNCIL DISTRICT 4

QUESTION: What is the current count of skate park liability claims since the removal of supervision on January 1, 2009?

RESPONSE: There have not been any claims reported to date since January 1, 2009.

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Park and Recreation

COUNCIL DISTRICT 5

QUESTION: Please provide a comparison of the maintenance workers per acre with other cemeteries.

RESPONSE: Mt. Hope Cemetery Maintenance Staffing Levels

The following table compares maintenance staffing at San Diego cemeteries.

Cemetery	Annual Interment Services	Total Est. Interments	Developed Acres	Maintenance & Internment Staff (see notes)	Developed Acres per Maint. Staff	Contractual Grounds Maint. Services	Notes for Staff Estimates
MT. HOPE Proposed FY 2010)	450	78,800	83	11	7.55	\$74,000	Staff estimate includes maintenance supervisor and estimate of 3.0 FTE for contractual services (Alpha project) and City-wide mow crew.
HOLY CROSS	950	58,000	42	15	2.80		No maintenance contractual expenses reported by the company.
GLEN ABBEY		55,000	65	12	5.42	\$180,000	Staff estimate includes an estimate of 5 FTE for contractual services
GREEN WOOD	900	85,000	112	18	6.22		No maintenance contractual expenses reported by the company.

La Vista and El Camino declined to share information.

Park and Recreation

COUNCIL DISTRICT 7

QUESTION: Please provide a list of maintenance needs at Memorial Pool including CIP work items and their status.

RESPONSE: Memorial Pool is scheduled for two capital projects. Memorial Pool Improvements (CIP #298930) is listed in the proposed budget in Volume III, Capital

RESPONSE CONT'D: Improvements Program, page 461. The second project provides for Americans with Disability Act (ADA) improvements (CIP #113147).

Park and Recreation

COUNCIL DISTRICT 7

QUESTION: Please provide an informative statement on the status of security provisions at Sunset Cliffs and other operational costs, including the provision of an emergency call box and the cost of a Senior Park Ranger.

RESPONSE: Included in the FY 2009 Budget Amendment approved by the City Council was the elimination of the security contract which closed and locked the gates at Sunset Cliffs Natural Park parking lot. The parking lot is now accessible 24 hours a day 7 days a week. The annual cost of the security contract for Sunset Cliffs Natural Park parking lot was \$9,588. However, the total reduction and subsequent savings also included gate closures for other parks. It has been reported by the San Diego Police Department that there has been an increase in “activity” since there are no time restrictions on the use and accessibility of the parking lot. There were no reductions for the California Conservation Corps services in the Budget Amendment. The Department will continue its work with the California Conservation Corps to restore and protect Sunset Cliffs Natural Park.

The addition of an emergency call box would cost approximately \$6,000. The call box is solar powered and uses cellular technology. An additional annual operational cost for a cellular provider has not been identified and is not included. A policy decision must also be made about where the emergency calls will be dispatched (the Park and Recreation Department does not have any twenty-four hour emergency response availability).

The cost for a Senior Park Ranger is indicated in the table below:

Personnel	89,698
Non-Personnel	<u>10,684</u>
SUBTOTAL Annual Costs	100,382
One-time Non-Personnel	33,603

The one-time costs for the Senior Park Ranger include the purchase of a vehicle plus vehicle add-ons necessary for ranger operations. The Department recommends that the Senior Ranger work Thursday through Monday, in order to cover Monday holidays (full coverage seven days per week would require additional staffing).

Park and Recreation

COUNCIL DISTRICT 7

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RESPONSE: 4279-Other Non-Personnel and 4222-Miscellaneous Contractual Services. Less than \$5,000 is allocated for Other Non-Personnel and is generally used for environmental or other costs associated with the development of grants or other projects. Approximately \$4.5 million is allocated for Miscellaneous Contractual Services covers a variety of activities including tree trimming and removals, specialty arbor services, court resurfacing, gym floor refinishing, parking lot repairs, park road maintenance, walkway repairs, handrail and bollard repairs, fencing, security, gate closures, pest control, relocation services, portable toilets, organ/piano tuning, laundry services, appliance repair, pumping/drainage services, and various emergency response services as needed. **Funds are not budgeted in every line item anticipated during the year, therefore, accounts such as Miscellaneous Contractual Services contain budgeted amounts for a variety of services and programs, and may appear to have savings available when reviewing actual expenses.** This policy of grouping like services is necessary since the Department has over 75 different general fund budgeted activities and more than 175 line item object accounts to manage during the budget process. Actual expenses will vary from year to year depending on the needs of the department, any environmental issues, emergencies, etc. Management monitors line item object accounts throughout the year and expenses are captured in the appropriate line item account regardless of where the funds were originally budgeted. The Department is projecting to overspend in supplies in services for Fiscal Year 2009 by \$569,000 (deficit will be offset by savings in equipment outlay). In Fiscal Year 2008, the Department expended or encumbered 99.96% of its general fund budget. The Fiscal Year 2010 Proposed Budget includes a reduction of \$161,022 for Miscellaneous Contractual Services as a result of the FY 2009 Budget Amendment.

Nader Tirandazi
Financial Management Director

NT/ma

cc: Honorable Mayor Jerry Sanders
Honorable Council Members
Jan Goldsmith, City Attorney
Jay M. Goldstone, Chief Operating Officer
Wally Hill, Assistant Chief Operating Officer

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